

STATE OF HAWAII
STATE PROCUREMENT OFFICE
HONOLULU, HAWAII

Legal Ad Date: May 1, 1997

INVITATION FOR BIDS
NO. IFB-97-207-O

SEALED BIDS
FOR
FURNISHING
REFUSE COLLECTION SERVICE
FOR
HONOLULU SCHOOL DISTRICT

will be received up to and opened at 2:00 p.m. (HST)
on
May 19, 1997

in the State Procurement Office, Kalanimoku Building, 1151 Punchbowl Street,
Room 416, Honolulu, Hawaii 96813.

Questions relating to this bid solicitation may be directed to Mrs.
Corinne Higa, telephone (808) 586-0568, facsimile (808) 586-0570.

ROBERT J. GOVERNS, CPPB
Procurement Officer

WAGE CERTIFICATE

(For Service Contracts)

Subject: IFB/RFP No.: _____

Title of IFB/RFP: _____

(To be completed by offeror)

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS), I hereby certify that if awarded the contract in excess of \$5,000, the services to be performed will be performed under the following conditions:

1. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work; and
2. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

I understand that failure to comply with the above conditions during the period of the contract shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Payment in the final settlement of the contract or the release of bonds, if applicable, or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected; and

I further understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wage required by Section 103-55, HRS.

Offeror _____

Signature _____

Title _____

Date _____

06/03/96

REFUSE COLLECTION SERVICE
FOR HONOLULU SCHOOL DISTRICT
IFB-97-207-O

Procurement Officer
State Procurement Office
State of Hawaii
Honolulu, Hawaii 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions dated September 1, 1995 by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof.

The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Date: _____

Respectfully submitted,

Telephone No.: _____

Fax No.: _____

Exact Legal Name of Offeror

Payment address, if other than
street address at right:

Authorized Signature (Original)

Title

Hawaii General Excise Tax Lic.
I.D. No.: _____

Street Address

Social Sec. or Federal I.D. No.: _____

City, State, Zip Code

If offeror shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

Offeror is: ___ Individual ___ Partnership ___ Corporation ___ Joint Venture

State of incorporation: Hawaii _____ *Other _____

*If "other", is corporate seal available in Hawaii? ___ Yes ___ No

The following offer for the Refuse Collection Service for Honolulu School District is hereby submitted:

<u>Bid Price Per Cubic Yard</u>	<u>Average Cubic Yards</u>	<u>No. of Months</u>	<u>Total Bid Price</u>
\$ _____	8064/month	12	\$ _____
"	1290*	--	_____
TOTAL SUM BID:			\$ _____

*1997 Summer school collections at various schools: One (1) additional pickup per week (258 yds.) for five (5) weeks in July '97. The bid price per cubic yard shall be the same as the monthly bid price per cubic yard.

Percentage of bid price/cubic yard that represents labor costs: _____%

Are services to be rendered by company employees similar or equal to public officers and employees listed on the attached employee classification descriptions? Yes _____ No _____

If yes, list similar positions: _____

City and County of Honolulu Refuse Collection License No. _____

Permanent Office Address: _____

Telephone No. _____ (Answering service is not acceptable)

Insurance coverage is carried by: (where applicable)

	<u>Carrier</u>	<u>Policy No.</u>	<u>Agent</u>
Commercial General Liability	_____	_____	_____
Automobile Liability	_____	_____	_____
Workers' Compensation	_____	_____	_____
Temporary Disability	_____	_____	_____
Prepaid Health Care	_____		
Unemployment Insurance: State of Hawaii Labor No. _____			

Names and addresses of companies or government agencies for which offeror has provided or is currently providing refuse collection service:

	<u>Name</u>	<u>Address</u>	<u>Contact</u>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

Offeror _____

SPECIFICATIONS

SCOPE

Contractor shall provide refuse collection and disposal service for designated Oahu schools listed in the attached Service Schedule and shown on the attached map. Such service shall include all labor, transportation, equipment and refuse containers necessary to collect and dispose of refuse in accordance with the Specifications, Special Provisions, and General Terms and Conditions.

The State reserves the right to add new schools within a district to the contract.

COLLECTION AND DISPOSAL

1. Containers shall be emptied completely during collection, with a minimum of spillage of dust or solids. Spillage of any type shall be completely picked up by the Contractor and the areas left broom clean, free of any debris and rubbish. Additional bags of trash which are located adjacent to the bins shall be picked up whenever the additional trash is created by missed or irregular pickups.
2. Empty refuse containers shall be returned to their stations in a condition that will be safe and accessible to the users. Containers with wet garbage or food shall be sprayed with disinfectant and deodorized to minimize maggot and odor problems.
3. Contractor shall dispose of all refuse collected by transporting to disposal sites that meet the requirements of local ordinance and regulations applicable to refuse disposal.

EQUIPMENT

Vehicles and equipment used by Contractor to collect and remove the refuse shall at all times be clean and well-maintained, both mechanically and in appearance. All equipment used to collect and remove refuse shall be covered to prevent littering.

CONTAINERS

1. The number of containers required under this contract is specified in the attached Service Schedule. Containers shall be of three-cubic yard capacity. Larger six-cubic yard containers may be used only with the written approval of the school. The State reserves the right to increase or decrease the number of containers when necessary.
2. Containers shall be of metal construction, with casters and plastic covers that can easily open and close. Requests for substitution may be approved, and such approval will be made in writing by the Officer-in-Charge, at no additional cost to the State.
3. All containers installed at each school at the start of the contract period (July 1, 1997 and July 1st of any extended contract period, shall be clean, uniformly and freshly painted, and in good repair. In the event that the present Contractor is awarded the contract, containers presently at the school sites must meet this requirement.

If Contractor who is awarded this contract is other than the Contractor currently providing the service, all refuse containers must be delivered to the school locations by June 30th to prevent any interruption of service to the schools.

4. Contractor shall maintain an ample supply of spare containers to serve as replacements or additions, in order that refuse can be handled without delay.
5. When it is determined by the State that refuse other than that generated by the schools is being emptied into the containers, Contractor will be required to furnish locks at specified locations at no additional cost to the State.
6. Locations of containers for each school will be determined by the school principal.
7. Contractor will not be responsible for the condition of any container that has been maliciously burned.

MAINTENANCE OF CONTAINERS

1. Contractor shall disinfect and deodorize any container that is found to be soiled with wet rubbish or food refuse. All containers shall be replaced with a new or refurbished container every year during summer vacation, no exceptions, and whenever requested.
2. Contractor shall oil movable parts (hinges and casters, etc.) when necessary.
3. Equipment, water, and materials needed to perform required maintenance shall be furnished by the Contractor.
4. Contractor shall keep containers in good repair and appearance at his own expense. Contractor shall ensure that all food service containers are cleaned, sanitized and deodorized after every pickup. Failure to comply shall be deemed sufficient cause for assessing a penalty of ten dollars (\$10.00) per day per container. This is necessary to insure containers are sprayed and cleaned.
5. Any container deemed by the Officer-in-Charge to be undesirable shall be replaced with an acceptable container within three (3) calendar days of notification that container is unacceptable. Contractor shall respond within three (3) working days after receiving notification of an undesirable container by reporting to the Officer-in-Charge of the action taken to correct the deficiency.
6. Failure of the Contractor to provide replacement for an undesirable container within three (3) calendar days of notification as specified in item 5 above shall be deemed sufficient cause for assessing a penalty of Ten Dollars (\$10.00) per day per container.

SCHEDULED INSPECTIONS OF CONTAINERS

All containers will be inspected during the summer months prior to the new school year by representatives of the State. Contractor shall inform Officer-in-Charge where and when containers are replaced in order to allow him or his representative(s) to determine adequacy. If for any reason the containers are not acceptable, the Contractor shall replace them within a weeks notice. Failure to notify and replace containers before the start of the new school year in September shall be assessed a penalty of \$100 per container.

AVERAGE CUBIC YARDS REFUSE PER MONTH

The average cubic yards of refuse generated per month is calculated in the following way:

$$\begin{aligned} & (\text{No. of containers} \times 3 \text{ cu. yds.} \times 5 \text{ pickups/week} \times \text{No. of weeks}) + \\ & (\text{No. of containers} \times 3 \text{ cu. yds.} \times 2 \text{ pickups/week} \times \text{No. of weeks}) = \text{Total cu.} \\ & \text{yds. per yr.} \end{aligned}$$

Total cu. yds. per year \div 12 = Average cu. yds. per month

The average cubic yards will be adjusted as the number of containers increase/decrease or the frequency of pickups changes.

COLLECTION SCHEDULE

1. Collections will be made daily, Monday through Friday, in accordance with the Service Schedule attached. Changes in days designated for collection and disposal service may be made, provided written approval is granted by the Officer-in-Charge. For example, pickup for certain schools may be scheduled for Tuesday a.m. through Saturday a.m., only with written approval.
2. Vacation Collection Schedule. For schools operating on a regular school/summer schedule, pickups shall be reduced to twice a week for the following vacation periods:

Christmas Vacation (2 weeks)

Spring Vacation (1 week)

Summer Vacation (1 week after school ends and 1 week before school begins = 9 weeks)

Contractor shall check with the Officer-in-Charge each year for the exact Christmas, Spring, and Summer vacation schedule.

3. Year Round School Vacation Collection Schedule: In the Honolulu District, Kaewai School, Kalihi-Uka School, Kalihi School, Waialae School, Wailupe School are year round schools with the following tentative vacation schedules for the 1997-'98 school year:

July/August (1 week after school ends and 1 week before school begins = 5 weeks)

October (2 weeks)

December/January (2 weeks)

March (2 weeks)

June (1 week)

It shall be the Contractor's responsibility to obtain each school's yearly calendar for specific vacation dates. (Vacation days may vary from school to school and year to year.) Accordingly, Contractor shall reduce pickups during these vacation periods to twice a week.

4. Summer School Collection Schedule. Prior to the start of the summer school session each year the State shall notify the Contractor of the summer school collection schedule. If the contract is extended beyond the initial period, the supplemental agreement shall adjust the contract amount based on the bid price per cubic yard.

5. Contractor shall submit not later than thirty (30) days after award of contract is issued, a complete time schedule for each school listed herein, for approval by the Officer-in-Charge. Contractor shall schedule pickups such that pickups are done approximately the same time of the day consistently throughout the contract. Schools with morning pickups will have morning pickups throughout the contract. Likewise for afternoon pickups. Contractor shall adhere to the schedule as approved.
6. Collections will NOT be scheduled on school days during the following hours, and collections in residential areas shall not be made earlier than 6:00 a.m. and between:

7:30 a.m. - 8:30 a.m.
11:00 a.m. - 12:30 p.m.
2:00 p.m. - 3:00 p.m.
7. Hours of collection scheduled for holidays, Saturdays, and vacation will be left to the discretion of the Contractor. When no pickups are scheduled for Saturday, the Friday pickups must be scheduled after 1:00 p.m. to avoid leaving cafeteria refuse in bins over the weekend.
8. If for any reason collection is not made as scheduled, Contractor shall "make-up" a collection without being penalized. If "make-up" collection is not made by the day's end, a penalty of ten dollars (\$10.00) per day per three-cubic yard container will be deducted from the monthly invoice.

SERVICE SCHEDULE
HONOLULU DISTRICT

DAILY MONDAY-THRU-FRIDAY PICKUP

<u>SCHOOL</u>	<u>NO. OF CONTAINERS (3 Cu. Yd.)</u>	<u>ESTIMATED MAX. C.Y. PER DAY</u>	<u>SCHOOL</u>	<u>NO. OF CONTAINERS (3 Cu. Yd.)</u>	<u>ESTIMATED MAX. C.Y. PER DAY</u>
Aina Haina Elementary	2	6	Maemae Elementary	2	6
Ala Wai Elementary	2	6	Manoa Elementary	2	6
Aliiolani Elementary	2	6	McKinley High	12	36
Anuenue Elementary	2	6	Niu Valley Intermediate	2	6
Central Intermediate	2	6	Noelani Elementary	2	6
Dole Intermediate	3	9	Nuuanu Elementary	1	3
Farrington High	8	24	Palolo Elementary	2	6
Fern Elementary	2	6	Pauoa Elementary	2	6
Hahaione Elementary	2	6	Puuhale Elementary	2	6
Hokulani Elementary	2	6	Roosevelt High	6	18
Hawaii School for the Deaf and Blind	2	6	Royal Elementary	2	6
Jarrett Intermediate	2	6	Stevenson Intermediate	2	6
Jefferson Elementary	3	9	Waialae Elementary	2	6
Kaahumanu Elementary	2	6	Waikiki Elementary	1	3
Kaewai Elementary	2	6	Wailupe Valley Elem.	2	6
Kahala Elementary	2	6	Washington Intermediate	3	9
			Wilson Elementary	2	6
Kaimuki High	4	12	TOTAL:	46	438
Kaimuki Intermediate	4	12			
Kaiser High	5	15			
Kaiulani Elementary	2	6			
Kalakaua Intermediate	3	9			
Kalani High	4	12			
Kalihi Elementary	2	6			
Kalihi Kai Elementary	3	9			
Kalihi Uka Elementary	2	6			
Kalihi Waena Elementary	2	6			
Kamiloiki Elementary	2	6			
Kapalama Elementary	2	6			
Kauluwela Elementary	2	6			
Kawananakoa Intermediate	3	9			
Koko Head Elementary	2	6			
Kuhio Elementary	2	6			
Lanakila Elementary	2	6			
Liholiho Elementary	2	6			
Likeli Elementary	2	6			
Liliuokalani Elementary	2	6			
Linapuni Elementary	2	6			
Lincoln Elementary	2	6			
Linekona Elementary	1	3			
Lunalilo Elementary	2	6			

SPECIAL PROVISIONS

SCOPE

Work included in this agreement shall consist of furnishing refuse collection for the Honolulu School District, Department of Accounting and General Services (DAGS), all in accordance with these Special Provisions, Specifications, and General Terms and Conditions, dated September 1, 1995, and included by reference. Copies of the General Terms and Conditions are available at the State Procurement Office, Room 416, 115 Punchbowl Street, Honolulu, Hawaii 96813.

OFFICER-IN-CHARGE

For purposes of this contract, the Central Services Manager, DAGS Central Services Division, telephone 831-6734, or his designated representative, is designated Officer-in-Charge.

TERM OF CONTRACT

Contractor shall enter into a contract for furnishing refuse collection service for a twelve (12) month period July 1, 1997 to June 30, 1998.

Unless terminated, the contract shall be extended for not more than three (3) additional twelve-month periods without the necessity of rebidding, upon mutual agreement in writing, at least sixty (60) days prior to expiration, provided the bid price per cubic yard remains the same or as adjusted in accordance with the price adjustment provisions below and/or by State initiated contract modifications. Any contract extension must be executed by the Contractor not less than twenty-five (25) days prior to scheduled date of termination, otherwise the requirement must be rebid.

The Contractor or the State may terminate the extended contract at any time upon sixty (60) days prior written notice.

OFFEROR QUALIFICATION

Contractor shall have a permanent office location from where he conducts business and where he will be accessible to telephone calls for complaints or requests that need immediate attention. An answering service is not acceptable. Offeror's permanent office location shall be stated on Offer Form, page OF-2.

MULTIPLE OR ALTERNATE OFFERS

An offeror may submit only one offer in response to a solicitation. If an offeror submits more than one offer in response to a solicitation, then all such offers will be rejected.

Similarly, an offeror may submit only one offer for each line item (if any) of a solicitation. If an offeror submits more than one offer per line item, then all offers for that line item will be rejected.

OFFER PREPARATION

Offer Form, Page OF-1. Offeror is requested to submit its offer using offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate space on Offer Form, page OF-1. Failure to do so may delay proper execution of the contract.

Offeror's authorized signature shall be an original signature in ink. If Offer Form, page OF-1, is unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the offeror's intent to be bound.

Tax Liability. Work to be performed under this solicitation is a business activity taxable under Chapter 237, Hawaii Revised Statutes (HRS), and vendors are advised that they are liable for the Hawaii General Excise tax (GET) at the current 4% rate. If, however, an offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

Tax Equalization Provision. For evaluation purposes, pursuant to Section 103-53.5, HRS, as amended, the price offer submitted by an offeror not liable for the GET under this solicitation, shall be increased by the current rate of the GET. Under no circumstance shall the dollar amount of the award include the aforementioned adjustment.

Bid Price. Bid price shall include labor, equipment, transportation, all applicable taxes and any other costs incurred to provide services specified. Bid price per cubic yard shall be applicable to additional service as requested by the State.

Labor Costs. Offeror must indicate on Offer Form, OF-2, the percentage of his bid price per cubic yard that represents labor costs, if applicable. Such information will be used by the State to calculate price adjustments.

Tax Clearance. An **original or certified copy** of a tax clearance issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) must be submitted with offeror's sealed offer by the due date and time. The tax clearance shall be obtained on the attached two-part **Tax Clearance Application (Form A-6)** that combines DOTAX and IRS tax clearances.

The application may be mailed in or walked in to either the DOTAX or the IRS. The addresses for DOTAX and IRS district offices are listed on Form A-6. There is limited walk-in service at IRS Maui and Hawaii district offices, and none on Kauai.

The DOTAX and IRS encourage the use of their mail-in service, in lieu of walk-in service. It is recommended that the applications be mailed to DOTAX where it will be processed and forwarded to the IRS. The process should be completed within twenty-one (21) calendar days. Use of the walk-in service may result in waiting in line at both agencies.

For offeror's information, the tax clearance is valid for forty-five (45) days. If the DOTAX approves a tax clearance certificate on one date and the IRS approves it on another date, the 45-day period will begin with the later date.

The tax clearance submitted with the sealed offer must be valid on the solicitation legal ad date or any date thereafter up to the offer due date. A valid tax clearance received with the offer will remain valid for the contract award.

The State Procurement Office will accept for the purpose of this solicitation a completed SPO Form TEMP B, "Certification for Tax Clearance" in place of the DOTAX Form A-6, if a tax clearance cannot be obtained by mail in time to include it with the sealed offer. See attached pink NOTICE for the SPO Form TEMP B. Prior to award, however, the successful offeror is required to submit the tax clearance.

NOTE: The above tax clearance requirement is in addition to the existing requirement for final payment. Refer to the special provisions on INVOICING below for information on the tax clearance requirement for final payment.

Offer Guaranty. An offer guaranty is not required for this Invitation for Bids.

Insurance. Offeror shall provide the requested insurance information on the Offer Form page, where indicated.

References. Each offeror shall provide the names and addresses of companies or government agencies for whom offeror has provided similar services and who can attest to the reliability of the offeror's service and/or personnel. The State reserves the right to contact the references to inquire about offeror's past work performance.

STATUTORY REQUIREMENTS OF SECTION 103-55, HAWAII REVISED STATUTES (HRS)

Refer to Section 2.8 of the General Terms and Conditions. Offeror shall complete and submit the attached wage certification by which the offeror certifies that the services required will be performed pursuant to Section 103-55, HRS.

Offerors are advised that Section 103-55, HRS, provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Offerors are further advised that in the event of an increase in wages for public employees performing similar work during the period of the contract, Contractor shall be obliged to provide wages not less than those increased wages.

Contractor shall be further obliged to notify his employees performing work under this contract of the provisions of Section 103-55, HRS, and of the current wage rates for public employees performing similar work. The Contractor may meet this obligation by posting a notice to this effect in the Contractor's place of business in an area accessible to all employees, or the Contractor may include such notice with each paycheck or pay envelope furnished to the employee.

To assist the offeror in determining whether the work of his/her employees are to perform under this contract is similar to that performed by public employees, attached are class specifications for State positions that perform refuse collection service duties. Effective January 1, 1995, the basic hourly wages paid to these State positions are:

<u>Class</u>	<u>Hourly Rate</u>
Public Facilities Refuse Collector (BC04)	\$ 10.38
Refuse Collector (BC05)	10.81
Truck Driver - Laborer (BC05)	10.81
Refuse Collector (BC06)	11.24
Truck Driver (BC06)	11.24
Heavy Truck Driver (BC07)	11.71
Refuse Collection Crew Leader (BC09)	12.94

Accordingly, offeror should consider the aforementioned wage rates when preparing his/her quote.

CONTRACT ADJUSTMENT PURSUANT TO SECTION 103-55, HRS

At the release of this bid solicitation, only the current wages of State employees performing similar work are known. Should their wages increase during any period of the contract, including supplements, the Contractor may request for increase in contract price. The increase requested must result in increase in wages to the Contractor's employees performing the work herein, including any increase in costs for benefits required by law that are automatically increased as a result of increased wages, such as federal old age benefits, workers' compensation, temporary disability insurance, unemployment insurance, and prepaid public health insurance.

Contractor's request for increase must meet the following criteria:

1. At the time of a request, Contractor must provide documentation to show that he is in compliance with Section 103-55, HRS, i.e., its employees are being paid no less than the known wage of the State position listed herein. Documentation shall include the employees' payroll records and a statement that the employees are being utilized for this contract.
2. At the time of bidding, the Contractor must have specified on the appropriate Offer Form page, the percentage of the bid price per cubic yard that represents labor costs. If the Contractor fails to specify the percentage, the Contractor's request for increase will not be considered.
3. Request for increase must be made in writing to the State Procurement Office on a timely basis.
 - a. Request for increase for the initial contract period must be made as soon as practicable after the State wage agreements are made public. Approved request will be retroactive to the date of increase for the State employee.
 - b. Request for increase for a supplemental period of the contract must be made prior to the start of the supplement. Contractor should call the Purchasing Specialist named on the cover of this Invitation for Bids to obtain the current wage information.

If the Contractor meets the above criteria in its request for contract price increase, the following formula shall be used to calculate the increase:

First Increase: $WI = (XY) (Z) + FB$

Subsequent Increase(s): $WI = AZ + FB$

whereby, WI = Dollar amount increase in bid price per cubic yard due to increase in State wages;

X = Original contract price per cubic yard;

Y = Percentage of bid price cubic yard designated by Contractor as representing labor costs;

Z = Percentage increase in wages paid to State employees performing similar work;

FB = Additional costs for those benefits required by statute, directly related to the allowed increase in wages paid to Contractor's employees;

A = That portion of the contract amount representing wages (this amount is X times Y plus any increase(s) in contract price per cubic yard resulting from increase in State wages).

The increase shall be reflected in either a contract modification or in the supplemental agreement issued for any extended period of the initial contract.

CONTRACT PRICE ADJUSTMENT DUE TO REFUSE DISPOSAL RATE CHANGES

Subsequent to bid opening, when the City and County of Honolulu (C&C) has a disposal rate change, the following formula will be used to calculate the increase per cubic yard:

$$[(N - O) \div 2000] \times W \times C$$

whereby, N = New C&C disposal unit charge per ton
O = Old C&C disposal unit charge per ton
2000 = Pounds per ton
W = Base weight per cubic yard of refuse (125 lbs. per cubic yard will be used)
C = Refuse container capacity

The increase shall be reflected in either a contract modification or in the supplemental agreement issued for any extended period of the initial contract.

RECYCLING FUND SURCHARGE

Offerors shall include the C&C recycling fund surcharge in their bid prices. No increases will be allowed to the Contractor based on the 6% surcharge on the current C&C refuse disposal rate of \$55.25/ton. If the C&C does increase the recycling fund surcharge, the formula to calculate the increase per cubic yards:

$$(R \times I) \div 2000 \times W \times C$$

whereby, R = C&C refuse disposal rate per ton
I = % increase to C&C recycling surcharge
2000 = Pounds per ton
W = Pounds per cubic yard refuse (125 lbs. per cubic yard will be used)
C = Cubic yards per container

SOLID WASTE MANAGEMENT SURCHARGE

Offerors shall include the State's solid waste management surcharge in their bid price. The current surcharge is 25 cents per ton of disposed solid waste. If there is a future increase for this surcharge, the adjustment per cubic yard shall be based on the following formula:

$$(I \div 2000) \times W \times C$$

whereby, I = Amount of the State's solid waste management surcharge increase per ton
2000 = Pounds per ton
W = Pounds per cubic yard refuse (125 lbs. per cubic yard will be used)
C = Cubic yards per container

PRICE ADJUSTMENT BY THE STATE

Change in Number of Pickups or Containers. The total contract price is based on the maximum amount of refuse to be generated per contract period. The State reserves the right to increase or decrease the number of pickups and/or containers provided to the schools, and to add new schools within the district to the contract, thereby increasing the total number of containers required. Such increases and decreases shall be made only upon written authorization/contract modification of the Officer-in-Charge. If an increase or decrease in refuse is generated as to necessitate additional or less pickups or containers, the bid price per cubic yard shall be used to compute the adjusted cost.

Emergency Calls. Contractor agrees to make unscheduled collections, when requested. Such "emergency calls" shall be completed within twenty-four (24) hours after notification. Bid price per cubic yard will be used as the basis for charges for "emergency calls", provided such charges are modified by mutual agreement at the time of the emergency to account for additional expense, if any, incident to making a special pickup.

METHOD OF AWARD

Award, if made, will be to the responsible and responsive offeror submitting the lowest total bid price.

Prior to awarding a contract, the State will require certification of the following insurance coverages:

Workers' Compensation
Temporary Disability
Unemployment Insurance
Prepaid Health Care

CONTRACT EXECUTION

Successful offeror receiving award of \$10,000 or more shall be required to enter into a formal written contract. No performance or payment bond is required for this contract.

No work is to be undertaken by the Contractor prior to the contract commencement date. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to the starting date.

If the option to extend for each additional twelve-month period is mutually agreed upon, the Contractor shall be required to execute a supplement to the contract for the additional period. Contract execution must be executed by the Contractor no less than twenty-five (25) days prior to scheduled date of termination, otherwise the requirement must be rebid.

LIABILITY INSURANCE

Contractor shall maintain insurance acceptable to the State in full force and effect throughout the term of this contract. The policy or policies of insurance maintained by the Contractor shall provide the following limit(s) and coverage(s):

<u>Coverage</u>	<u>Limits</u>
Commercial General Liability (occurrence form)	\$300,000 combined single limit per occurrence for bodily injury and property damage
Comprehensive Automobile Liability	BI: \$100,000 per occurrence PD: \$ 50,000 per occurrence

Each insurance policy required by this contract shall contain the following clauses:

1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Accounting and General Services, State Procurement Office, P. O. Box 119, Honolulu, Hawaii 96810-0119."
2. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

Each insurance policy shall be written by insurance companies licensed to do business in the State or meet Section 431:8-301, Hawaii Revised Statutes, if utilizing an insurance company not licensed by the State of Hawaii.

The Contractor agrees to deposit with the State of Hawaii, on or before the effective date of this contract, certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefor on deposit with the State during the entire term of this contract. Upon request by the State, Contractor shall furnish a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Contractor.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

INVOICING

Contractor shall submit a monthly invoice, original and three (3) copies, for services rendered to:

Department of Accounting and General Services
Central Services Division
729-B Kakoi Street
Honolulu, HI 96819
Attn: Repair and Maintenance Program Manager

All invoices shall reference the contract number assigned to the contract.

Charges for extra pickups, extra bins, etc., not specified herein or not added to the contract by contract modification, shall be submitted on a separate invoice and will be paid by purchase order. In particular, charges for emergency services shall be invoiced in this manner.

The tax clearance submitted with Contractor's invoice for final payment now requires both DOTAX and IRS approvals. The clearance submitted earlier is not acceptable for final payment purposes. Contractor must obtain a new tax clearance from DOTAX and IRS and it must be an original (certified copy is not acceptable), not over 45 days old, with box 3.a. of the **Tax Clearance Application (Form A-6)** completed for a specific contract, purchase order, or job number.

PAYMENT

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days after receipt of invoice or performance of service to make payment. For this reason, the State will reject any offer submitted with a condition requiring payment within a shorter period. Further, the State will reject any offer submitted with a condition requiring interest payments greater than that allowed by Section 103-10, HRS, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract which requires payment within a shorter period or interest payments not in conformance with statute.

RE-EXECUTION OF WORK

The Contractor shall re-execute any work that fails to conform to contract requirements and shall immediately remedy any defect due to faulty workmanship by the Contractor.

REMOVAL OF CONTRACTOR'S EMPLOYEES

Contractor agrees to remove any of its employees from services rendered to the State, upon request in writing by the contracting officer.

LIQUIDATED DAMAGES

Refer to Section 6.12 of the General Terms and Conditions. Liquidated damages is fixed at the sum of ONE HUNDRED DOLLARS (\$100.00) for each and every calendar day the Contractor delays in the completion of any item of this contract after the required date of said completion.

RIGHTS AND REMEDIES FOR DEFAULT

In the event the Contractor fails, refuses, or neglects to perform the services in accordance with the requirement of these Special Provisions, the Specifications, and General Terms and Conditions herein, in addition to the recourse stated in Section 6 of the General Terms and Conditions, the State reserves the right to purchase in the open market, a corresponding quantity of the services specified herein and to deduct from any moneys due or that may thereafter become due the Contractor, the difference between the price named in the contract and the actual cost thereof to the State. In case any money due the Contractor is insufficient for said purpose, the Contractor shall pay the difference upon demand by the State. The State may utilize all other remedies provided by law.

ADDITIONS AND EXCEPTIONS TO THE GENERAL TERMS AND CONDITIONS

Approvals. Any agreement arising out of this offer is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

Cancellation of Solicitations and Rejection of Offers. The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in Sections 3-122-95 through 3-122-97, Hawaii Administrative Rules.

General Terms and Conditions Not Applicable. Sections 2.11 and 2.14 of the General Terms and Conditions which apply specifically to the Request for Proposals method of source selection are not applicable to Invitation for Bids. Also Sections 2.10 and 2.13 which apply specifically to the Invitation for Bids method of source selection are not applicable to Requests for Proposals.

Records Retention. The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.